

Richardson

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. [REDACTED] 142 >

L. RICHARDSON & COMPANY, INC., APPELLANT,

vs.

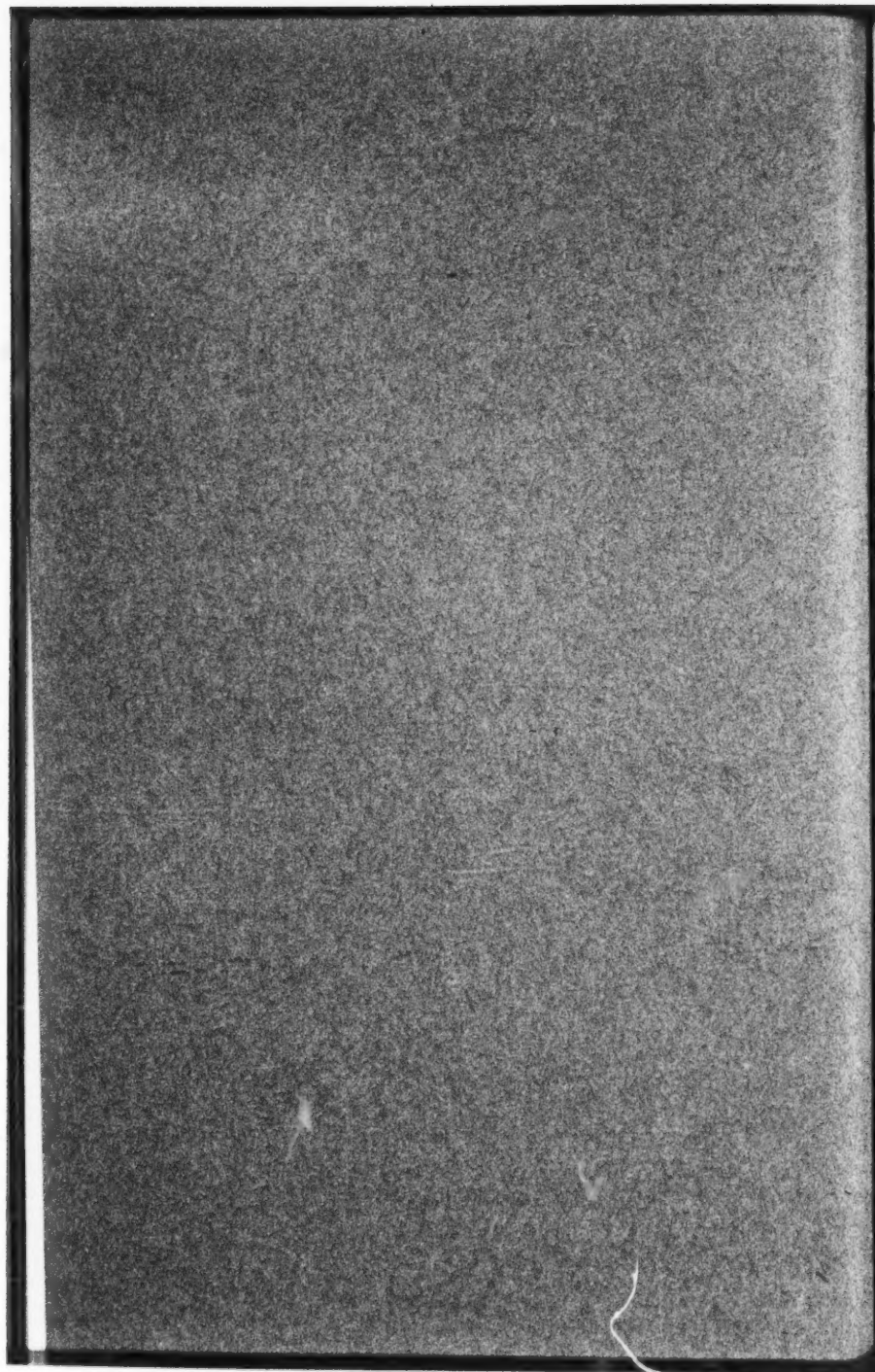
THE UNITED STATES

APPEAL FROM THE COURT OF CLAIMS

FILED AUGUST 6, 1925

(39,795)

*1 opinion not received see
Reg Dec 12 '18
Letter Dec 22 '18 -
3744 Appellate*



(29,795)

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1923

No. 485

L. RICHARDSON & COMPANY, INC., APPELLANT,

vs.

THE UNITED STATES

APPEAL FROM THE COURT OF CLAIMS

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[fol. 1] **COURT OF CLAIMS OF THE UNITED STATES**

No. B-373

L. RICHARDSON & COMPANY, INC., A CORPORATION

vs.

THE UNITED STATES

I. HISTORY OF PROCEEDINGS

On November 10, 1922, the plaintiff filed its original petition.

On January 9, 1923, the defendant filed a demurrer to said petition.

On February 5, 1923, the demurrer was argued and submitted.

On February 19, 1923, the court filed an order sustaining defendant's demurrer and dismissing the petition.

On March 7, 1923, the plaintiff filed a motion for a new trial and asked leave to file an amended petition.

On March 12, 1923, the court filed an order allowing amended petition to be filed.

On March 12, 1923, the plaintiff filed its amended petition. Said amended petition is as follows:

[fol. 2] **II. AMENDED PETITION—Filed March 12, 1923**

The claimant, L. Richardson & Company, Inc., respectfully represents:

1. That it is a duly created and existing corporation under the laws of the state of New York engaged in importing wool.

[fol. 3] 2. That on December 15, 1917, and to the spring of 1919 the War Trade Board, the War Industries Board and the Wool Administrator were agents of the War Department or of the President of the United States acting on behalf of the War Department and on that date the War Trade Board issued a regulations which is filed as Exhibit "A" as part of the original petition requiring every applicant for license for importation of wool to enter into an agreement to sell the wool imported under such license to the Government at a price to be fixed by the Government.

3. That on January 8, 1918, the War Trade Board issued another regulation designated "Wool regulations, final revised form" which supplemented the one of December 15, 1917, a copy of which regulation is filed as Exhibit "B" as part of the original petition.

4. On March 11, 1918, the acting Quartermaster General on behalf of the War Department issued a regulation under which the

Government exercised the options theretofore granted on certain wools thus making a purchase thereof and extending the options on other wools, a copy of which regulations is filed as Exhibit "C" as part of the original petition.

5. On April 1, 1918, or April 2, 1918 (as in some of the records it is referred to as April 1st and in some April 2, 1918), the acting Quartermaster General on behalf of the War Department issued another regulation exercising the options theretofore obtained by the Government on other wools thus making a purchase thereof and continuing the options on other wools and stating "the Quartermaster Corps will not exercise the option in respect to wool finer than 56'S" which has been bought prior to April 1, 1918. It re-[fol. 4] serves the right to exercise the option on or after April 1, 1918, a copy of which regulation is filed as Exhibit "D" as part of the original petition.

6. That subsequent to April 1, 1918, and prior to July 12, 1918, the claimant purchased 7,168 bales and 1,518 bags of South African wool of the class known as "Finer than 56'S" and duly executed the proper applications and the options and agreements to sell to the Government as required under the regulations of January 8, 1918, shown as Exhibit "B" with this petition; that under the said options and agreement the Government agreed to buy and to pay the claimant \$1,434,045.60 for this wool on delivery, being the price fixed by the War Industries Board (see Exhibit "E") and the claimant imported and offered delivery thereof to the Government in accordance with the regulations, and others hereinafter set out, the claimant having fully complied with all the terms and requirements thereof, but the Government refused to accept such wool on delivery and to pay for same and the claimant was forced to dispose of said wool and with due and proper diligence obtained the best possible price therefor which amounted, after deducting the cost of resale entailed by the Government's refusal to buy, to the sum of 1,163,303.60, thus causing the claimant to lose \$270,746.00 because of the Government's refusal to accept and pay for the said wool as it had agreed to do; that said wool was imported into this country in the S. S. "Francis J. McDonald," "Ellen," "Amazon," "Manuel Carogol," and "Paul E. Thurlow," and Exhibit "G," part of this petition, is a detailed statement of the claimant's losses on each of said cargoes; that the claimant during the same time and under the same terms and conditions, regulations, options, and agreements [fol. 5] bought and imported a large quantity of the said South African wool "finer than 56'S" and of the same quality and character as the wool above mentioned of which it was part which other wools the Government duly accepted and paid for on delivery but the Government arbitrarily and without excuse refused to accept and pay for the said 7,168 and 1,518 bags of wool above described.

7. That on May 17, 1918, the Acting Quartermaster General on behalf of the War Department issued a regulation, a copy of which is hereto attached as Exhibit "E" through the Wool Top and Yarn

Branch of the Quartermaster General's office exercising the option retained by the Government under the regulation of April 1 or 2, 1918, Exhibit "D" above, on all wool imported into the United States subsequent to April 1, 1918, rating above "56'S," the Government thereby agreeing to purchase the wool bought and imported by the claimant as set out in the next preceding paragraph of this petition.

8. On July 12, 1918, the War Trade Board issued a regulation on behalf of the War Department taking over into the name of the Quartermaster General of the United States Army all licenses issued prior to July 28, 1918, for the importation of wool and requiring that all licenses after that shall be in the name of the Quartermaster General of the United States Army, a copy of which regulation is filed herewith and made a part of this petition as Exhibit "F."

[fol. 6] 8A. That subsequent to May 17, 1918, the Government officers cancelled the licenses to the plaintiff and issued new licenses requiring that the wool be consigned to the government agency known as The Textile Alliance Corporation and the bill of lading to run to it and to be assigned to the Quartermaster General; on July 24, 1918, the Quartermaster General issued an order directing that thereafter the Government would buy the wool direct in South Africa and stated that in his former order he had agreed that he would instruct and did instruct the Wool Administrator to exercise the option, which order is herewith filed as Exhibit "G" as part of this petition; that all of the wool in issue was bought prior to July 24, 1918; that on July 18, 1918, when the plaintiff was seeking to charter a boat from the shipping board to transport part of the wool he was required to give a guarantee in writing that nothing would be carried in the vessel except wool destined for the Quartermaster General and some ballast; that on December 23, 1918, Assistant Wool Administrator wrote plaintiff that he had notified the plaintiff's agent that he would take certain wool described in paragraph 1 of said letter which 17,200 bales of wool included the 7,168 bales and 1,518 bags involved in this suit, a copy of which letter is filed herewith as Exhibit "H," and the said Assistant Wool Administrator accepted and paid for all of the 17,200 bales which he so agreed to buy except the 7,168 bales and 1,518 bags which he arbitrarily refused to accept and pay for; that the said Assistant Wool Administrator was authorized by the Quartermaster General and by the Government to buy and accept said wool.

9. That the claimant duly complied with all the aforementioned regulations of the Government in the purchase of the said 7,168 bales and 1,518 bags of wool described above and duly and promptly [fol. 7] tendered the said wool to the Government and demanded payment therefor under the purchase which the Government had theretofore made of the said wool and under the agreement of the Government to buy and pay for the same on delivery but the Government arbitrarily refused to accept the said wool and to pay for same but not because the wool was not the kind, character and

quality that the Government had agreed to buy and the claimant had agreed to deliver, as the said wool which the claimant tendered was the exact kind, quality and character that the claimant had agreed to sell to the Government.

10. That the claimant is the sole owner of the claim set forth in this petition, no assignment or transfer of the same or any part thereof or interest therein has been made. Claimant is justly entitled to receive and recover from the United States of America for and on account of the violation of the said agreement the sum of \$270,743.00 after allowing all credits and set-offs. The claimant has at all times borne true allegiance to the Government of the United States and has not in any way aided, abetted or given encouragement to its enemies. That claimant believes the facts stated in this petition to be true.

✓ Wherefore, Claimant prays judgment against the United States of America in the sum of \$270,743.00 and for such other and further relief as this honorable Court might grant, both at law and in equity, in the premises.

L. Richardson & Co., Inc., By Raymond M. Hudson. Ray-
[fol. 8] mond M. Hudson, Attorney for Claimant, Conti-
nental Trust Bldg., Washington, D. C.

Affidavit of R. M. Hudson to above paper omitted in printing.

EXHIBIT "A" TO AMENDED PETITION

"The War Trade Board announces that the following regulations will apply as of Dec. 15, 1917, to the importation of wool from all foreign sources:

1. Applicants for import licenses will be required to sign an agreement containing the following provisions:

"A. The applicant agrees that he will not sell the wool covered by application No. —, or any other wool of either foreign or domestic origin, to any person other than a manufacturer without the consent of the War Trade Board; and that in the event of a sale to a [fol. 9] person other than a manufacturer with such consent he will exact from his purchaser a similar agreement.

"B. The United States Government shall have, and it is hereby granted, an option to purchase at the price and on the terms hereinafter set forth all or any part of the wool covered by application No. — for ten days after customhouse entry thereof, and thereafter on such portion thereof as shall be at any time unsold until the whole amount thereof has been sold by the importer. In the event of the exercise of such option, the basis of price to be paid for the wool shall be equivalent to 5 per cent less than the basis of price of July

30, 1917, for similar wool, as established by the Valuation Committee of the Boston Wool Trade Association, the actual price of each lot to be determined by a committee to be appointed jointly by the Boston Wool Trade Association and the United States Government.

"2. These regulations shall not apply to any wool purchased abroad on or before Dec. 15, 1917.

"Applicants for import licenses will therefore file with their first applications copies of all their contracts outstanding on Dec. 15, 1917, for the importation of wool from foreign sources, and as to which all wool contracted for had not been entered at any United States port of entry Dec. 15, 1917, and showing in detail the amount of wool already shipped and the amount yet to be shipped thereunder.

"The War Trade Board, in fixing the effective date of the foregoing regulations as of Dec. 15, 1917, had as its object the avoidance of any retroactive effect which would be burdensome and embarrassing, and earnestly appeals to wool importers and to manufacturers of woollen products so to conduct their transactions with respect to the stock of wool now on hand and the importations now en route that further speculation, hoarding, and the continuation of fictitious prices may be avoided."

EXHIBIT "B" TO PETITION

Boston Wool Trade Association

Final Revised Form

Abraham Koshland, Pres., 501 Summer Street

Wool Regulations

January 8, 1918.

F. Nathaniel Perkins, Sec'y-Treas., 263 Summer Street:

The War Trade Board, after due consideration, has decided to supersede its regulations of December 15, 1917, affecting the importation of wool and dealings in foreign and domestic wool and to promulgate in their place and stead certain other regulations effective as of January 14, 1918. Pursuant to such decision, the War Trade Board hereby withdraws the said regulations of December 15, 1917, and effective on and after January 14, 1918.

First. All importers of wool will sign before the delivery or release of any imported wool to them, an agreement or guarantee containing, among other things, provisions in substantially the following form:

That the United States Government shall have, and is hereby granted an option to purchase at the price and on the terms hereina-

after set forth all or any part of the wool covered by this Guarantee for ten (10) days after Custom House Entry thereof; and thereafter to purchase such portion thereof as shall be at any time unsold by the importer until the whole amount thereof has been sold. In the event of the exercise of such option, the basis of price to be paid for the wool shall be equivalent to five (5) per cent less than the basis of price of July 30, 1917, for similar wool as established by the Valuation Committee of the Boston Wool Trade Association, the actual price of each lot to be determined by a Committee appointed jointly by the Wool Trade and the United States Government. This option shall not apply to any wool purchased abroad before December 15, 1917.

That the importer will neither export any merchandise in Class A or Class B of domestic or foreign origin, as hereinafter described, nor transfer ownership or control thereof to or for the benefit of any person or persons outside the United States without first obtaining an export license from or the consent of the War Trade Board.

That the importer will not sell to any person or persons in the United States any merchandise in Class A of domestic or foreign origin as hereinafter described without first obtaining the purchaser's agreement, in form satisfactory to the War Trade Board, and the consent thereon of the War Trade Board, which consent is to be applied for through the Textile Alliance, Inc.

That the importer will not sell or deliver to any person or persons in the United States any merchandise in Class B of domestic or [fol. 12] foreign origin as hereinafter described, without rendering to the purchaser at or prior to the time the merchandise is shipped or delivered, a written invoice thereof containing the following conditions to be fulfilled by such purchaser.

That the purchaser will neither export such merchandise nor transfer ownership or control thereof to or for the benefit of any person or persons outside the United States without first obtaining an export license from or the consent of the War Trade Board.

That the purchaser will report through the Textile Alliance, Inc., to the War Trade Board at the end of each month all sales of such merchandise.

That the purchaser will not resell such merchandise to purchasers in the United States excepting under the same conditions.

Description of Class A and Class B Merchandise

Class A:

Wool.

Animal hair suitable for spinning or weaving.

Tops of wool or of animal hair.

Wooled skins.

Skins of sheep or of goats or of lambs or of kids bearing hair suitable for spinning or weaving.

7

Class B:

Noils of wool or of animal hair.

Yarn of wool or of animal hair.

Waste of wool or of animal hair.

Animal hair unsuitable for spinning or weaving.

Woolen rags.

Jute wrappings or coverings when received as wrappings or coverings of merchandise listed in Class A or Class B above.

[fol. 13] Second. Purchasers of Class A merchandise from importers will sign an agreement or guarantee containing, among other things, all of the provisions above set forth, with the exception of the provision giving an option of purchase to the United States Government.

EXHIBIT "C" TO PETITION

"1. The present intention is to exercise the option in respect to all such wools subject to the option grading forty-fours to fifty-sixes entered at customhouse at port of final destination on or after March 1, 1918, as may be considered suitable for Army requirements by my representative.

"2 (2-3-4-5). The intention is to exercise the option irrespective of whether the wool is imported direct by manufacturers or by dealers for manufacturers or by dealers for their own account and without regard to the intended use for which the import was made.

"6. The ten (10) days' option begins on the day on which the import is entered at the customhouse at port of final destination.

"7. The present intention is to take all of every lot of the specified grades that is suitable and desirable until the aggregate quantity desired by the Government has been obtained.

In taking over such lots of imported wool as may be availed of under the Government option it is to be noted that the Acting Quartermaster General is merely availing of an existing option given to the Government by the importer.

[fol. 14] "It will be understood that these answers to your questions indicate the present policy and intention, but are subject to any modifications which may be found necessary as a result of experience of the practical effect of the methods indicated."

EXHIBIT "D" TO PETITION

"In order to define as definitely as possible the position of the Quartermaster Corps in respect to the exercise by it of the Government option on this year's clip of imported wool, you are authorized to make the following announcement:

"The Quartermaster Corps will continue to exercise the option reserved to the Government to purchase all imported wool standard fours and grady (grading) forty-fours to fifty-sixes which shall be brought into the United States. All such wool shall be bought and paid for at the option prices, namely, the price of July 30, less 5%. In case the Quartermaster Corps shall change this policy, notice of such change should be given you and shall be applicable only on wool bought after the date of such notice. Until further notice to you the Quartermaster Corps will not exercise the option on wool hereafter or heretofore purchase grading forties and below. In case of such notice the Quartermaster Corps will not exercise the option in respect to any such wool purchased prior to the date of notice. The Quartermaster Corps will not exercise the option in respect to wool finer than fifty-sixes which has been bought prior to April 1, 1918. It reserves the right to exercise the option on wool bought on or after April 1, 1918. Every importer must make you a report [fol. 15] on Saturday of each week of all purchases by him of any foreign wool during the week, together with any such other information in respect thereto as you may require, and any wool so purchased shall be imported into the United States as soon after such purchase as shipping space is available. The policy outlined above may be changed without notice in respect to any wool purchased by importer who so fails to make such report of shipment.

EXHIBIT "E" TO PETITION

"The Acting Quartermaster General has today written Charles J. Nichols, the Wool Administrator, as follows:

"The War Industries Board having now fixed the price of wool in the United States, it is thought advisable that the Quartermaster Corps shall hereafter exercise the import license option on all imported wool. Accordingly the Acting Quartermaster General announced that until further notice he will exercise the import license option on all wools imported into the United States except that in accordance with letter of April 1st from the Acting Quartermaster General to yourself, he will not exercise the option on wools grading above 56's bought prior to April 1st and on wools grading 40's and below bought prior to the date thereof. Please distribute this information promptly to all importers and manufacturers interested."

EXHIBIT "F"

"New Rulings Regarding the Importation of Wool"

[fol. 16] "The supply of wool in the United States has been gradually decreasing owing to the enormous demands for military requirements and because of the shortage in ocean tonnage for transporting wool to this country, and it is evident there will not be suf-

sufficient wool to take care of both civilian and military needs unless some comprehensive plan is adopted for purchasing and importing the necessary supply.

"It is apparent that under the present system of private transactions in wool it is difficult to insure the utilization thereof in the best interests of the country, and likewise difficult for individuals to secure the necessary tonnage, because of lack of assurance of the Shipping Board that the wools imported will be used for the national interests.

"The War Trade Board, after consultation with the War Industries Board and the War Department, have therefore adopted the following rulings:

"1. All outstanding licenses for the importation of wool from Uruguay, Argentina and South Africa are revoked as to ocean shipments made from abroad after July 28, 1918.

"2. Hereafter no licenses for the importation of wool from the countries above referred to for shipment from abroad after July 28, 1918, will be issued for the remainder of the present calendar year, except to the Quartermaster General of the United States Army.

"Vance C. McCormick, Chairman."

[fol. 17]

EXHIBIT "G"

Actual Losses Sustained on Following Shipment, "Francis J. McDonald"

	Govt. price	Sold at	Loss
105 B/s Scoured Type 6.....	1.44	1.22 less 1%.....	\$4,819
26 B/s Scoured Type 6.....	1.44	1.22 less 1%.....	1,132
20 B/s Scoured Type 20.....	1.18	.88 less 1%.....	1,329
38 B/s Scoured Type 17.....	1.25	.88 less 1%.....	1,977
389 Bags Scoured ex 600 Bales			
Greasy Scoured here.....	1.55	1.30 less 1%.....	8,580
110 Bags Scoured Type 17.....	11.25	.88 less 1%.....	4,167
285 Bales Super Long Combing			
Greasy ex 600 Bales—yield 36%..	.56	.48 less 1%.....	8,667
Balance of 85 Bales and odd lots.....			4,000
			<u>\$35,671</u>

Actual Losses Sustained on Following Shipment, SS. "Ellen"

	Govt. price	Sold at	Loss
116 Bales Scoured Type 1.....	1.55	1.33 less 1%.....	\$5,459
203 Bales Scoured Type 6.....	1.44	1.22 less 1%.....	9,503
388 Bales Scoured Type 7.....	1.38	1.15 less 1%.....	20,434
89 Bales Scoured Type 17.....	1.25	.88 less 1%.....	7,230
71 Bales Scoured Type 20.....	1.18	.88 less 1%.....	4,615
217 Bales Greasy & 242 Bags Greasy loss 4c. per lb.....			3,000
			<u>\$50,241</u>

Actual Losses Sustained on Following Shipment, SS. "Paul E. Thurlow"

		Govt. price	Sold at	Loss
221 B/s	29 B/s Cape Scoured.....	1.56	1.31 less 1%.....	1,513
	8 B/s Cape Scoured.....	1.45	1.25 less 1%.....	354
	44 B/s Cape Scoured.....	1.38	1.10 less 1%.....	2,546
	25 B/s Cape Scoured.....	1.10	.90 less 1%.....	1,078
	13 B/s Cape Scoured.....	1.37	1.17 less 1%.....	527
	35 B/s Cape Scoured.....	1.40	1.10 less 1%.....	2,218
	67 B/s Cape Scoured.....	1.18	.80 less 1%.....	5,396
				<hr/> 13,632
1050 B/s	373 B/s Greasy Combing..	.56	.48 less 1%.....	11,054
	39 B/s Greasy Combing..	.50	.42 less 1%.....	1,255
	638 B/s Greasy Combing..	.45	.41 less 1%.....	8,892
				<hr/> 21,201
				<hr/> 34,833

[fol. 18] Actual Losses Sustained on Following Shipment, SS. "Amazon"

		Govt. price	Sold at	Loss
	202 B/s Scoured Type 11.	1.55	1.33 less 1%.....	8,800
	526 B/s Scoured Type 6.	1.44	1.22 less 1%.....	23,044
	143 B/s Scoured Type 7.	1.38	1.15 less 1%.....	6,578
	17 B/s Scoured Type 17.	1.25	.90 less 1%.....	1,080
408 B/s	205 B/s Scoured Type 20.	1.18	1.15 less 1%.....	1,271
	71 B/s Scoured Type 20.	1.18	1.03 less 1%.....	2,176
	106 B/s Scoured Type 20.	1.18	.95 less 1%.....	4,323
	26 B/s Scoured Type 20.	1.18	.90 less 1%.....	1,493
	4 B/s Scoured Stained.	.80	.60 less 1%.....	9,873
				<hr/> 160
	49 B/s Super Uitenhage Scoured 1st.....	1.56	1.30 less 1%.....	2,548
	62 B/s Super Uitenhage Scoured 2nd.....	1.20	1.05 less 1%.....	1,875
479 B/s	144 B/s Greasy.....	.61	.57 less 1%.....	2,037
	91 B/s Greasy.....	.57	.53 less 1%.....	1,211
	34 B/s Greasy.....	.39	.35 less 1%.....	352
	6 B/s Greasy.....	.34	.30 less 1%.....	70
	2 B/s Greasy.....	.39	.35 less 1%.....	21
	202 B/s Greasy.....	.50	.46 less 1%.....	2,783
				<hr/> 6,474
1254 B/s	112 B/s Cape Scoured....	1.10	.88 less 1%.....	5,157
	36 B/s Cape Scoured....	1.10	.90 less 1%.....	1,477
	26 B/s Cape Scoured....	1.25	1.05 less 1%.....	994
	4 B/s Cape Scoured....	1.15	.95 less 1%.....	160
	9 B/s Cape Scoured....	1.25	1.05 less 1%.....	306
	6 B/s Cape Scoured....	1.10	.90 less 1%.....	240
	11 B/s Cape Scoured....	1.15	.95 less 1%.....	448
	3 B/s Cape Scoured....	1.15	.95 less 1%.....	112
	32 B/s Cape Scoured....	1.20	1.00 less 1%.....	1,258
	210 B/s Cape Scoured....	1.35	1.15 less 1%.....	7,549
	7 B/s Cape Scoured....	1.35	1.17 less 1%.....	269
	9 B/s Cape Scoured....	1.35	1.15 less 1%.....	337
	6 B/s Cape Scoured....	1.15	.95 less 1%.....	223
	399 B/s Cape Scoured....	1.56	1.29 less 1%.....	19,856
	329 B/s Cape Scoured....	1.56	1.30 less 1%.....	10,752
	55 B/s Cape Scoured....	1.50	1.29 less 1%.....	2,068
				<hr/> 51,186
				<hr/> 111,618

Actual Losses Sustained on Following Shipment, SS. "Manuel Caragol"

	Govt. price	Sold at	Loss
284 B/s Scoured Type 6.....	1.44	1.22 less 1%.....	11,360
123 B/s Scoured Type 7.....	1.38	1.15 less 1%.....	4,920
293 B/s Scoured Type 20.....	1.18	.88 less 1%.....	17,580
50 B/s Scoured Crossbred.....	.80	.60 less 1%.....	2,000
63 B/s Scoured Carbonized.....	1.45	1.25 less 1%.....	2,520
			<hr/> 38,380

[fol. 19]

EXHIBIT G-1 TO PETITION

The following order has been received by Charles J. Nichols, Government Wool Administrator, from the office of the Acting Quartermaster General:

July 24, 1918.

1. On April 2nd, 1918, the Acting Quartermaster General, in order to encourage the importation of certain grades of wool, among other things agreed he would instruct, and did instruct, the Wool Administrator that until further notice he was to exercise the Import License Option on all wools grading 44's to 56's, including so-called class 4 wools, and that when notice was given by the Acting Quartermaster General of his wish to discontinue the purchase of [fol. 20] such wools under the Import License Option, he would exercise the Import License Option on all wools bought prior to the date of such notice.

2. Owing to the uncertainty of the shipping situation, and in order to conserve the use of shipping, it has been found necessary for the Government to make arrangements to buy wool direct in certain countries, namely, Uruguay, Argentine and South Africa.

3. Therefore, the Acting Quartermaster General hereby gives the notice contemplated in his instructions to you dated April 2nd, 1918, that he will discontinue to exercise the Import License Option on wools imported from Uruguay, Argentine and South Africa grading 44's to 56's, or on any other grades of wool from those countries, except on such wools as may have been bought prior to the date of this notice, and a record of which wools is on file with the Wool Administrator.

4. A buying committee, or syndicate, for the purchase of wool in Uruguay and Argentine has been formed (by the Acting Quartermaster General), consisting of Messrs. Farnsworth Stevenson & Co., Hallowell, Jones & Donald, Francis Willey & Co., Brown & Adams, and Samuel C. Murfitt. Until further notice, all buying of wool in Uruguay and Argentine will be conducted through them. Mr. John Wilcock has been appointed Chairman or Manager.

EXHIBIT II TO PETITION

War Department

Purchase, Storage, and Traffic Division

Office of the Director of Purchase and Storage

Boston, Mass., December 23, 1918.

[fol. 21] From: Mr. J. H. Barnard, Asst. Wool Administrator, 100 Summer St., Boston, Mass.

To: L. Richardson & Co., 752 Broadway, New York, N. Y.

1. We have notified Mr. Carl Bacon of Winslow & Co. today that we will take of your importations of Cape Wools, the three thousand bales of scoured Cape for which you already have an Import License, and the scoured product of the eleven thousand bales of wool bought in the grease to be scoured at the Cape, figured on a basis of 35 per cent shrink, a 225 lb. scoured bale or approximately 6,000 bales; also 2,000 bales and 1,200 bales in the grease, or their equivalent, figured on the same basis if they come forward as scoured wool. In other words, we will not accept as many bales of scoured wool as you originally had Import Licenses to cover in the grease.

2. We have today received a cable from the American Consul at Port Elizabeth, dated December 18th, which we quote:

"Richardson shipped October invoice 546 by Steamer Hypatia indorsed 92 bales Super and 17 Seedy Wools purchased after July 12th. Writing full details."

Please explain this shipment to us, giving full particulars as to date of purchase, etc.

3. With further reference to your letter of the 19th, we find that at present no bills have been received, as you claim, for Q. M. C. lots S5534, your lot No. 136, \$347,018.76, and S5599, your lot No. 153, [fol. 22] \$21,412.68, and it was only this morning that we received your bill for lot S5538, your lot No. 140, \$256,806.24, which you said had been rendered and was due. We are checking the following bills, and if in order, they will be approved for payment.

Q. M. C. lot	Your lot No.	Amount
S 5533.....	135.....	\$416,154.73
S 5600.....	154.....	52,687.89
S 5538.....	140.....	256,806.24
S 5112.....	131.....	24,060.58

By authority of the Director of Purchase.

(Signed) J. H. Barnard, Asst. Wool Administrator. JHB/
MMD.

[fol. 23] III. DEMURRER TO THE AMENDED PETITION—Filed
May 10, 1923

Comes now the defendant, by the Attorney General, and demurs to the amended petition filed in the above-entitled cause March 12, 1923, upon the ground that the same does not allege a cause of action against the United States.

Robert H. Lovett, Assistant Attorney General. P. M. Cox, Attorney.

IV. ARGUMENT AND SUBMISSION OF CASE ON DEMURRER

On May 21, 1923, the demurrer to the amended petition in this case was argued and submitted by Mr. Percy M. Cox, for the defendant, and by Mr. Raymond M. Hudson, for the plaintiff.

[fol. 24] V. ORDER OF COURT DISMISSING PETITION—Entered May
28, 1923

This cause came on to be heard upon the defendant's demurrer to the plaintiff's petition as amended. On consideration whereof the court is of opinion that said demurrer is well taken. It is therefore adjudged and ordered by the court that the said demurrer be sustained and the plaintiff's petition, as amended, be and it is dismissed.

By the Court.

VI. PROCEEDINGS AFTER ENTRY OF JUDGMENT

On June 21, 1923, the plaintiff filed a motion for a new trial. Said motion was overruled by the Court on July 2, 1923.

VII. PLAINTIFF'S APPLICATION FOR APPEAL—Filed July 5, 1923

Now comes the plaintiff and moves the Court to allow it an appeal to the Supreme Court of the United States from a judgment of this Court in and on May 28, 1923 to which a new trial was denied July 2, 1923.

Raymond M. Hudson, Attorney for Plaintiff.

VIII. ORDER OF COURT ALLOWING APPEAL—Entered July 9, 1923

It is ordered by the court that the plaintiff's application for appeal be and the same is allowed.

By the Court.

[fol. 25] COURT OF CLAIMS OF THE UNITED STATES

[Title omitted]

CLERK'S CERTIFICATE

I, F. C. Kleinschmidt, Assistant Clerk Court of Claims, certify that the foregoing are true transcripts of the pleadings in the above-entitled cause; of the argument and submission of case on demurrer to the amended petition; of the order of the Court dismissing the petition; of the plaintiff's application for appeal to the Supreme Court of the United States; of the order of the Court allowing said appeal.

In testimony whereof I have hereunto set my hand and affixed the seal of said Court at Washington City this Thirteenth day of July, A. D., 1923.

F. C. Kleinschmidt, Assistant Clerk Court of Claims. (Seal Court of Claims.)

Endorsed on cover: File No. 29,795. Court of Claims. Term No. 485. L. Richardson & Company, Inc., appellant, vs. The United States. Filed August 6th, 1923. File No. 29,795.

